

## Message Text

CONFIDENTIAL

PAGE 01 GENEVA 03728 01 OF 02 091826Z  
ACTION EA-12

INFO OCT-01 EUR-12 IO-13 ISO-00 DEAE-00 CIAE-00 INR-10  
JUSE-00 NSAE-00 CTME-00 SNM-05 TRSE-00 USIA-06  
NSC-05 OES-07 OMB-01 SS-15 HEW-04 DODE-00 AGRE-00  
AID-05 L-03 /099 W  
-----037584 091950Z /42

R 091802Z MAR 78  
FM USMISSION GENEVA  
TO SECSTATE WASHDC 7004  
INFO AMEMBASSY VIENTIANE  
AMEMBASSY BANGKOK  
AMEMBASSY PARIS  
AMEMBASSY STOCKHOLM  
AMCONSUL HONG KONG  
CINCPAC HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 02 GENEVA 03728

E.O. 11652: XGDS-1  
TAGS: SNAR, UN, LA  
SUBJECT: UNFDAC PROGRAM IN LPDR

REF: (A) STATE 49370; (B) VIENTIANE 241; (C) VIENTIANE  
234; (D) STATE 34719; (E) GENEVA 9581

1. MISSION OFFICER AGAIN RAISED ISSUE OF UNFDAC/LAOS  
PROGRAM MARCH 7 WITH UNFDAC EXECUTIVE DIRECTOR REXED  
POINTING OUT QUESTIONS CONCERNING MERITS OF "KM 62"  
REHABILITATION PROJECT AS A SEPARATE PROJECT AND RE-  
QUESTING THAT, IF LAO ARE UNWILLING TO IDENTIFY ACCEPTABLE  
SITES FOR CROP SUBSTITUTION, THE UNFDAC REVIEW KM 62  
PROJECT ON ITS OWN TECHNICAL MERITS.

2. DR. REXED RESPONDED THAT HE SHARED US CONCERN, CON-  
VEYED TO HIM BY US REP DURING CND, ABOUT LAO PROPOSED  
PROJECT SITE AT BAN DONE. HE SAID HE FAVORED SEEKING  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 GENEVA 03728 01 OF 02 091826Z

A SITE IN CONFORMITY WITH UNFDAC/LPDR AGREEMENT IN  
MOUNTAINOUS AREA OF TRADITIONAL OPIUM CULTIVATION. HE  
OBSERVED THAT ACQUIRING AN APPROPRIATE SITE WOULD  
REQUIRE A GOOD BIT OF DIPLOMACY VIS-A-VIS THE LPDR AND  
EXPRESSED INTENT TO WORK OUT TACTICS TO ACHIEVE THIS  
GOAL. CONCERNING KM 62, HE NOTED OUR CONCERN ABOUT ITS  
VALUE AS AN INDEPENDENT PROJECT AND EXPRESSED HIS OWN

INTEREST IN IDENTIFYING MEANS TO IMPROVE IT. DR. REXED STRESSED THE VALUE HE PERCEIVED IN MAINTAINING AN UNFDAC PRESENCE IN LAOS AS A MEANS OF INFLUENCING THE GOVERNMENT ON NARCOTICS MATTERS AND AS A FOUNDATION FOR FURTHER UN DRUG CONTROL ACTIVITIES IN FUTURE.

3. DURING SUBSEQUENT CONVERSATION, UNFDAC DEPUTY EXECUTIVE DIRECTOR INFORMED MISSION OFFICER THAT THE CONSENSUS OF DR. REXED'S ADVISORS WAS THAT THE FUND MUST MAINTAIN THE TERMS OF THE ORIGINAL UNFDAC/LAOS AGREEMENT PROVIDING FOR A CROP SUBSTITUTION PROJECT IN A MOUNTAINOUS REGION OF TRADITIONAL OPIUM CULTIVATION. HE SAID THE FUND WOULD NOT ACCEPT THE BAN DONE SITE, ALTHOUGH IT MIGHT OFFER ITS GOOD SERVICES TO THE LPDR IN IDENTIFYING AN ALTERNATE AND MORE APPROPRIATE SOURCE OF ASSISTANCE FOR THIS PROJECT, PERHAPS THE UNDP. HE SAID THE FUND WILL NOT FINANCE A CROP SUBSTITUTION PROJECT IN AN INAPPROPRIATE SITE, BUT WILL PUSH AHEAD WITH KM 62 WHILE SEEKING TO ACQUIRE A CROP SUBSTITUTION SITE IN ACCORDANCE WITH THE AGREEMENT. MISSION OFFICER STRESSED US CONCERN ABOUT MERITS IN KM 62 PROJECT AND NEED FOR FUND TO REAPPRAISE IT ON ITS OWN TECHNICAL MERITS IF CROP SUBSTITUTION SEGMENT OF AGREEMENT WERE TO FAIL. WELLMAN RESPONDED THAT FUND OF COURSE WISHED TO SEE BOTH ELEMENTS OF AGREEMENT MOVE AHEAD SIMULTANEOUSLY, BUT REALIZED FROM THE START THAT THE CROP SUBSTITUTION PROGRAM WOULD BE THE MORE DIFFICULT TO IMPLEMENT. WHILE RECOGNIZING CONFIDENTIAL

CONFIDENTIAL

PAGE 03 GENEVA 03728 01 OF 02 091826Z

THAT THE KM 62 PROJECT WOULD HAVE TO BE JUDGED ON ITS OWN MERITS SHOULD THE CROP SUBSTITUTION PHASE OF THE AGREEMENT FAIL, WELLMAN NOTED THAT ONE OF ITS MERITS WOULD BE TO CONTINUE UNFDAC AS ONE OF FEW FOREIGN PRESENCES IN A COUNTRY OF SIGNIFICANCE TO THE INTERNATIONAL DRUG CONTROL EFFORT.

4. COMMENT. MISSION BELIEVES UNFDAC LEADERSHIP SHARES US CONCERNS ABOUT LAUNCHING CROP SUBSTITUTION PROJECT AT INAPPROPRIATE SITE IN LAOS. WE EXPECT IT WILL NOT COMMENCE EXECUTION OF THIS PART OF AGREEMENT UNTIL LPDR IDENTIFIES A SITE ACCEPTABLE UNDER THE TERMS OF THE UNFDAC/LAOS AGREEMENT.

5. WITH RESPECT TO THE KM 62 PROJECT, WE BELIEVE THE FUND WILL REVIEW ITS TECHNICAL MERITS, BUT WILL THEREAFTER WISH TO MOVE AHEAD WITH IT IN ORDER THAT IT MIGHT SERVE AS A BASIS FOR INCREASING LPDR CONFIDENCE IN THE FUND'S GOOD WILL AND AS MANIFESTATION OF FUND INTEREST IN ASSISTING LAOS TO COMBAT DRUG ABUSE. THE FUND'S HOPE WOULD BE TO STRENGTHEN ITS RELATIONS WITH THE LPDR TO THE POINT WHERE FURTHER ACTIVITY, MORE PRODUCTIVE FROM THE

FUND'S POINT OF VIEW, WOULD BECOME POSSIBLE. IN THE INTERIM, THE FUND WOULD MAINTAIN ITS PRESSURE ON THE LPDR TO IDENTIFY AN APPROPRIATE CROP SUBSTITUTION SITE.

6. MISSION BELIEVES FUND APPROACH IS RECONCILABLE WITH PERCEPTIVE ANALYSIS ADVANCED BY AMEMB VIENTIANE (REF C), THE MOST PERSUASIVE ARGUMENTS IN WHICH ARE DIRECTED AGAINST THE CHOICE OF BAN DONE AS A CROP SUBSTITUTION SITE. SINCE US POINT OF VIEW HAS APPARENTLY PREVAILED ON THIS QUESTION, WHICH WAS OUR PRIMARY CONCERN, MISSION WOULD SUGGEST THAT WE NOW ALLDW THE UNFDAC BOTH TIME AND MANEUVERING SPACE TO WORK OUT THE OTHER ELEMENTS

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 GENEVA 03728 02 OF 02 091825Z  
ACTION EA-12

INFO OCT-01 EUR-12 IO-13 ISO-00 DEAE-00 CIAE-00 INR-10  
JUSE-00 NSAE-00 CTME-00 SNM-05 TRSE-00 USIA-06  
NSC-05 OES-07 OMB-01 SS-15 HEW-04 DODE-00 AGRE-00  
AID-05 L-03 /099 W

-----037581 091950Z /43

R 091802Z MAR 78  
FM USMISSION GENEVA  
TO SECSTATE WASHDC 7005  
INFO AMEMBASSY VIENTIANE  
AMEMBASSY BANGKOK  
AMEMBASSY PARIS  
AMEMBASSY STOCKHOLM  
AMCONSUL HONG KONG  
CINCPAC HONOLULU HI

C O N F I D E N T I A L SECTION 02 OF 02 GENEVA 03728

OF ITS RELATIONS WITH THE LPDR. NOTING THAT THE FUND'S PROSPECTIVE DECLINING OF THE BAN DONE SITE IS LIKELY TO DISPLEASE THE LPDR, WE ANTICIPATE THAT FURTHER DELAY ON THE KM 62 PROJECT WOULD PROBABLY END LPDR INTEREST IN FUND ASSISTANCE. GOING FORWARD WITH THAT PROJECT WOULD AT LEAST PERMIT THE FUND TO MAINTAIN ITS LPDR CONTACT AT A COST WHICH IS RELATIVELY MINOR (\$165,000 FOR FIRST PHASE) IN COMPARISON WITH OTHER UNFDAC COUNTRY PROGRAMS. SINCE THIS PROJECT DOES NOT RAISE THE HUMAN RIGHTS ISSUES INVOLVED IN THE BAN DONE SITE, WE DO NOT BELIEVE THE BENEFITS TO BE DERIVED FROM OPPOSING ITS FUNDING WOULD JUSTIFY THE RISKS TO US AND UN ACTIVITIES

IN THE AREA ENNUMERATED IN REF. C.

7. THEREFORE, RECOGNIZING THAT THE DIFFICULTIES THE FUND  
HAS HAD SO FAR IN ITS RELATIONS WITH THE LPDR ARE  
PROBABLY ONLY A PRELUDE TO MANY MORE AS IT TRIES TO  
DEVELOP ITS FIRST PROGRAM IN A COMMUNIST STATE, MISSION  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 GENEVA 03728 02 OF 02 091825Z

RECOMMENDS THAT UNFDAC BE PERMITTED SOME FLEXIBILITY IN  
WORKING OUT DIFFICULTIES OF ITS AGREEMENT WITH LPDR  
WITH CONTINUED USG MONITORING OF DEVELOPMENTS TO ENSURE  
PROJECT REMAINS AT LEAST MINIMALLY ACCEPTABLE TO US  
INTERESTS. END COMMENT. VANDEN HEUVEL

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGRICULTURAL PRODUCTION, OPIUM  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978GENEVA03728  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** X1  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780106-0834  
**Format:** TEL  
**From:** GENEVA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780389/aaaacxac.tel  
**Line Count:** 187  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 0f03d9ca-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 49370, 78 VIENTIANE 241  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 11 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3390683  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** UNFDAC PROGRAM IN LPDR  
**TAGS:** SNAR, LA, UN  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/0f03d9ca-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014